

QUALSHIP 21

Frequently Asked Questions

What is QUALSHIP 21?

Coast Guard efforts to eliminate substandard shipping have focused on improving methods to identify poor-quality vessels (targeting schemes). However, regardless of the score that a vessel receives in our targeting matrix, all foreign-flagged vessels are examined no less than once each year. This provides few incentives for the well run, quality ship. Hundreds, perhaps thousands, of vessels are operated responsibly, and are typically found with few or no deficiencies. Under our current policies, these vessels are boarded at similar intervals as vessels that aren't operated responsibly. These quality vessels should be recognized and rewarded for their commitment to safety and quality. Therefore, the Coast Guard implemented an initiative to identify high-quality ships, and provide incentives to encourage quality operations. This initiative is called **Qualship 21**, quality shipping for the 21st century.

What are the eligibility criteria?

By closely examining Port State Control data from the previous 3 years, the characteristics of a typical "quality" vessel were identified. A quality vessel is associated with a well-run company, is classed by an organization with a quality track record, is registered with a Flag State with a superior Port State Control record, and has an outstanding Port State Control history in U.S. waters. Using these general criteria, approximately 10% of the foreign-flagged vessels that call in the U.S. qualify for this initiative (the specific Qualship 21 eligibility criteria is described below). Qualship 21 will initially apply to foreign-flagged vessels. Lessons learned from this initiative will be used to develop an initiative for the U.S. flagged fleet.

Eligibility Requirements:

1. The vessel may not have been detained, and determined to be substandard, in U. S. waters within the previous 36 months;
2. The vessel may not have any marine violations, no more than 1 paid Notice of Violation cases (tickets), and no reportable marine casualties that meet the definition of a serious marine incident (46CFR4.03-2) or major marine casualty (46CFR4.40), in U.S. waters within the previous 36 months. Casualty reports of crewmember or passenger injuries that are not in conjunction with any other criteria of a serious marine incident or major marine casualty will not be considered. For the purpose of this initiative, a marine violation is any violation of a law, regulation, or order that is enforced by the Coast Guard, and results in a final assessed monetary civil penalty by

a hearing officer, or a judgement by the U.S. attorney in a criminal proceeding;

3. The vessel must have completed a successful, U. S. Port State Control examination within 12 months of eligibility determination. A Port State Control examination is defined as a boarding of a non-U. S. flagged vessel for the purpose of assessing a vessel's compliance with the relevant provisions of applicable international conventions, domestic laws and regulations, with a scope to the extent necessary to verify that no unsafe conditions exist. The term successful means that the vessel did not leave port with any serious, outstanding deficiencies (e.g., are considered such a serious nature that they may warrant the detention of the vessel);
4. The vessel may not be owned or operated by any company that has been associated with a substandard vessel detention in U. S. waters within 24 months. A vessel is considered to be owned or operated by a company, if that company has been issued a U. S. Certificate of Financial Responsibility as the responsible operator of the vessel, and/or is listed on the vessel's certificate of registry, and/or is the company responsible for the safe operation of the vessel as indicated on the vessel's Safety Management Certificate;
5. The vessel may not be classed by, nor have their statutory Convention Certificates issued by, a targeted class society. A class society is targeted if points are assigned to them in the PSC targeting matrix (refer to <http://www.uscg.mil/hq/g-m/pscweb/class.htm> for details on the class societies that meet this criterion);
6. The vessel may not be registered with a Flag State that has a detention ratio greater than or equal to 1.0%, determined on a 3-year rolling average, and the Flag State must have at least 10 distinct vessel arrivals in each of the last three years (refer to Table 2 of the Coast Guard's 1999 Annual Port State Control report, at <http://www.uscg.mil/hq/g-m/pscweb/annualrpt01.doc> for details on the Flag States that meet this criterion);
7. The vessel's Flag State must submit their Self-Assessment of Flag State Performance to the IMO, and provide a copy to the Coast Guard; and
8. Though not specifically mentioned in the above criteria, the Coast Guard reserves the right to restrict eligibility in the Qualship 21 initiative to any vessel because of special circumstances, including, but not limited to, significant overseas casualties or detentions, and pending criminal or civil investigations.

What incentives will Qualship 21 vessels receive?

To encourage quality vessel operations, all Qualship 21 designated vessels will receive a Qualship 21 Certificate, issued by the Office of Compliance (G-MOC) staff. This certificate will have a maximum 2-year period of validity, which will correspond with the date of the COTP's last "annual" Port State Control exam of the vessel. For example, an eligible freight ship that completed a successful annual freight ship exam on 25

September 2000 will receive a Qualship 21 Certificate from G-MOC that expires on 24 September 2002. Additionally, Qualship 21 vessels will have their names posted on the Qualship 21 page of the headquarters Port State Control internet web site.

Qualship 21 freight ships will be eligible for a maximum of 2 years of limited Port State Control oversight. While annual exams of these vessels will be eliminated (and replaced with biennial exams), the COTP may continue to board these ships when overriding factors are present, as described in current guidance.

Qualship 21 tank ships must still be examined annually, but the mid-period examination of a Qualship 21 tank vessel may be reduced in scope. In general, the scope of the mid-period examination shall be the same as for the biennial exam, but will be in less detail, unless it is determined that major changes have occurred since the last examination, or conditions warrant an expanded Port State Control exam. The mid-period examination shall be performed on these tank ships that visit U.S. waters between the tenth and fourteenth month of the period for which the Certificate of Compliance (COC) and Qualship 21 Certificates are valid. A vessel that does not visit U.S. waters, and receive a mid-period examination, before the completion of the last day of the fourteenth month, may be subject to a biennial exam.

Qualship 21 passenger vessels will not be eligible for a reduction in any Port State Control exams. While passenger vessels have an excellent safety record in the U.S., there is too much at risk to consider any changes to our passenger vessel examination policy. However, passenger vessels receiving the designation may find that it is a valuable marketing tool.

Will port fees be lowered for Qualship 21 vessels?

The European Green Award has been identifying and rewarding quality vessels for many years. Their program audits vessel operations, and Green Award vessels receive reduced port fees, discounts on chandlery services, towing, line handling, etc. The port structure in the U.S. makes this type of program difficult to implement. However, we are working with the American Association of Port Authorities (AAPA) to locate ports that are willing to provide reduced port fees for Qualship 21 vessels. These participating ports may establish an additional quality standard, such as meeting the voluntary emission standards of MARPOL Annex VI, in order to qualify for the reduced port fees.

Who determines which vessels will be awarded Qualship 21 designation?

Personnel at U.S. Coast Guard Headquarters (G-MOC) perform an initial screening of vessels to determine Qualship 21 eligibility. G-MOC will send letters to eligible vessel owners, and invite them to participate in the initiative. To qualify for the original list,

owners will be required to answer a series of questions to verify that our initial screening of the vessel was correct.

Why aren't my vessels listed as QUALSHIP vessels?

Although your vessel may have an excellent examination history, there are many other criteria that must be met before a vessel will be designated as a QUALSHIP vessel. One of the most common criteria vessels fail to meet requires vessels to be registered with a flag state that has a detention ratio greater than or equal to 1.0%, determined on a 3-year rolling average. The flag state must also have submitted its International Maritime Organization Flag State Self-Assessment Form to the U.S. Coast Guard.

How should a Qualship 21 vessel be screened by the Port State Control matrix?

All vessels will continue to be screened for boarding priorities. Qualship 21 vessels will not be assigned additional points for ship type (column IV), nor will they be assigned additional points for lack of a boarding within the previous 6 months (column III). All other overriding conditions in the targeting matrix should be considered, such as operational controls within 6 months, vessels alleged to have serious deficiencies that might render the vessel substandard, or vessels suspected of hazarding the port for other reasons (oil spill, casualties, et cetera). The current descriptions of Priority I through IV vessels in the electronic version of the Marine Safety Manual, Volume II (Section D, Chapter 4.D.), will also be amended to account for Qualship 21 freight ships that will not require an annual examination. For those personnel that are not familiar with this manual, it is available at:

<http://www.uscg.mil/hq/g-m/nmc/pubs/msm/vol2.htm>

Will the documents issued by the COTP to a foreign vessel change?

Yes, but not because of Qualship 21. The COTP issues 3 different Certificates to foreign-flagged vessels (46CFR2.01-6); CG-4504, Control Verification for Foreign Vessel, for passenger vessels, CG-2832A, Letter of Compliance, for vessels carrying hazardous bulk cargoes, and CG-840S-1, Tank Vessel Examination Letter, for vessels carrying subchapter D cargoes. Foreign-flagged freight ships are not issued Certificates by the COTP, and this will not change. Beginning January 1, 2001, COTPs will issue a Certificate of Compliance (COC) to all foreign vessels that must have Certificates. Every COC will be valid for 2 years. This change in Certificates, including the validity period, will not change the exam intervals for passenger vessels and tank vessels. For more information about COCs, please refer to the electronic version of the Marine Safety Manual, Volume II.

Our goal is to have this form available universally through Jet-Form filler by January 1, 2001. In the event that we're unable to accomplish that, electronic versions of the COC will be distributed to all M units by December 15, 2000. The regulatory change to COCs is underway, and won't be completed until later in calendar year 2001.

What criteria will cause the vessel's Qualship 21 eligibility to be revoked?

To maintain the integrity of the program, and to protect the safety of U.S. ports, a Qualship 21 vessel's designation and incentives will be revoked when the vessel triggers the following exit criteria:

- a. The vessel is detained, and determined to be substandard, in U.S. waters;
- b. The vessel has a marine violation, more than 1 paid Notice of Violation case (tickets), or a reportable marine casualty that meets the definition of a serious marine incident (46CFR4.03-2) or major marine casualty (46CFR4.40), in U.S. waters. Similar to the eligibility criteria, crewmember or passenger injuries that are not related to any other serious marine incident or major marine casualty criteria will not cause the vessel's eligibility to be revoked. A marine violation is any violation of a law, regulation, or order that is enforced by the Coast Guard, and results in a final assessed monetary civil penalty by a hearing officer, or a judgement by the U.S. attorney in a criminal proceeding. COTPs shall notify G-MOC at fldr-G-MOC@comdt.uscg.mil when a prima facie violation case is forwarded to the district office on a Qualship 21 vessel;
- c. The vessel is found with serious deficiencies (e.g., are considered so serious that they may warrant the detention of the vessel) that are not being monitored by the vessel's Flag State or class society, acting on behalf of the Flag State, or the vessel fails to report a hazardous condition (as defined in 33CFR160.203) prior to arrival. If the vessel is within the time limits imposed by the Flag State or class society to correct deficiencies, the vessel will not lose eligibility for incentives;
- d. The vessel transfers class to a targeted class society; or
- e. The vessel changes its registry to a Flag State that has a detention ratio greater than or equal to 1.0%, determined on a 3-year rolling average, or to a Flag State that does not have at least 10 distinct vessel arrivals in each of the last three years;

If the COTP is aware of a Qualship 21 vessel meeting any of the above criteria, notification should be made to G-MOC at fldr-G-MOC@comdt.uscg.mil as soon as possible. Upon COTP notification, G-MOC staff will revoke the vessel's Qualship 21

designation (vessel's name will be removed from the Qualship 21 vessel list on the internet), and will revoke incentives by removing the vessel's note in MISLE.

Does the vessel owner have to apply for this initiative?

No. However, vessel owners that believe that they have vessels eligible for Qualship 21, but haven't received a letter from the Coast Guard by March 1, 2001, should write to the Office of Compliance (G-MOC-2), or send an e-mail to fldr-G-MOC@comdt.uscg.mil. In their correspondence, vessel owners should provide sufficient documentation to establish their eligibility for the initiative, and Qualship 21 vessels missed in the initial publication will be enrolled with the first amendment of the list (published in the 2nd Quarter of 2001).

How does the vessel owner renew eligibility?

Vessel owners do not have to submit an application to renew their eligibility in the Qualship 21 initiative. However, renewal of eligibility is established under the same conditions as initial certification, including the requirement to have completed a successful, U. S. PSC exam within the previous 12 months. Therefore, vessel owners are encouraged to request a PSC exam from the local COTP during U.S. port visits during the 23rd and 24th month of the term of their Qualship 21 Certificate.

How do I obtain more information?

The Foreign and Offshore Compliance Division, of the Office of Compliance (G-MOC-2) is managing this initiative. Please direct general questions to the main telephone number, (202) 267-2978, or G-MOC's public mail folder, fldr-G-MOC@comdt.uscg.mil. In the near future, the headquarters Port State Control web site will have a page dedicated to Qualship 21 information. The headquarters PSC web site is located at:

<http://www.uscg.mil/hq/g-m/pscweb/index.htm>